	Council	Date:	August 23, 2010
CITY OF DES MOINES	Communication Office of the City Manager	Agenda Item No.	43-I
		Roll Call No.	<u>10-1409</u>
		Communication No.	<u>10-524</u>
		Submitted by:	Phil Delafield,
			Community
			Development Director

AGENDA HEADING:

Rezoning property in Historic East Village from "C-3" (Central Business District Commercial District) and "M-1" (Light Industrial District) to "C-3B" (Central Business Mixed-Use District) and "Limited C-3" (Central Business District).

SYNOPSIS:

Recommend rezoning property in the East Village from "C-3" and "M-1" to "C-3B" and "Limited C-3".

FISCAL IMPACT: NONE

Amount: N/A

Funding Source: N/A

ADDITIONAL INFORMATION:

The area of the proposed rezoning is generally bounded by Des Moines Street on the North, East 7th Street on the East, properties fronting the south side of East Court Avenue on the South and Robert D. Ray Drive and East 2nd Street on the West. (See agenda map)

The "Des Moines: Capitol Gateway East Urban Design Plan" (1997) envisioned revitalization of the East Village such that it became "the thriving diverse, desirable city neighborhood that it once was." Over the past decade, significant redevelopment has taken place in the East Village. Once a troubled eyesore at the foot of the Capitol, the area is now a thriving mixed-use district with a variety of businesses, property owners and dwelling units. An array of owners, public and private, have made significant investments in their businesses, property redevelopment, streetscape, redevelopment incentives and open space, and the district is once again flourishing.

In the spring of 2009, East Village business owners approached the City with general concerns about redevelopment on remaining vacant blocks in the East Village area. The majority of the area is currently in the "C-3" with the Capitol Dominance Overlay and Pedestrian Sign Overlay districts in effect in this area. The "C-3" district does not have minimum height requirements, build-to or setback requirements or bulk/density requirements. Analysis of the current "C-3" zoning confirmed that lower density, auto-oriented development that would not support the current and desired character of development activity in the East Village could be constructed in this zoning district. While the existing "East Gateway Design

Guidelines" have been successfully used to shape many development and rehabilitation projects that have received City incentives, these guidelines would not be in effect if a developer did not seek City assistance. This led staff to explore potential existing zoning districts that would be a better fit for the desired character of the East Village.

With East Village constituents, staff developed the following goals to guide this research:

- Protect public and private investments in the East Village
- Foster growth and future success of East Village
- Preserve East Village identity
 - Unique, mixed-use environment
 - Historic preservation and well-designed infill
 - Urban, walkable district

Staff concluded that the "C-3B" is the most applicable district for the East Village.

The following is a description of how the proposed re-zoning from "C-3" to "C-3B" will affect properties within the requested area:

- "C-3B" district prohibits the following uses that are currently allowed in "C-3" district:
 - Automobile display, rental and sales
 - Mobile home parks
 - General motor vehicle repair, including major body work
 - o General motor vehicle repair, excluding major body work
 - Automobile washing (open bays and unattended)
 - o Adult entertainment
 - o Monument sales yards
 - o Sheet metal shops
 - Sign painting shops
 - Storage of nonflammable, nonexplosive, nonperishable goods
 - Transportation passenger terminals including bus stations, railroad passenger stations or other passenger terminals
 - \circ Shelter for the homeless, not subject to 1/4 mile separation
 - "C-3B" district permits the following uses that are currently prohibited in "C-3" district:
 - Assembly and packaging of components previously prepared within an enclosed building
 - Machine shops
 - Retail lumberyards
 - Warehousing
 - Electrical substations and gas regulator facilities on land owned by the utility as of the date of being placed in "C-3B"
- The proposed rezoning would eliminate six current non-conforming parcels and create ten new non-conforming parcels in terms of permitted use. Four parcels contain non-conforming uses in either zoning district.
- Any new development/redevelopment would be subject to Site Plan Review by the Plan and Zoning Commission under the Site Plan regulations [Section 82-214.7 Design guidelines within "D-R" (Downtown Riverfront) and "C-3B" districts].
- This proposal will also rezone four split-zoned properties that are partially zoned "M-1" to "C-3B" ----317, 601, 625 and 701 East Court Avenue.

Per East Village Neighborhood Board vote in March 2010, the rezoning has the support of the neighborhood. The R&O Committee of the Plan and Zoning Commission reviewed the proposal on

March 24, 2010. City Council reviewed the proposed re-zoning during a workshop on April 12, 2010 and directed staff to proceed with the proposal.

On June 23, 2010, City staff hosted a public open house and invited all property owners in and within 250' of the affected district and representatives of the East Village neighborhood association. Thirteen people attended this meeting.

On July 15, 2010 the Plan and Zoning Commission held a public hearing and recommended approval of the rezoning. Concerns from two property owners affected by the change in uses were registered. The properties located at 201, 205, 211, 215 E. Walnut, 201 E. Locust and 306 E 3rd Street historically have been used for auto sales and repair. The change in zoning to "C-3B" would cause these uses to become non-conforming. One property owner could not have reopened as a vehicle display lot and the other was concerned with how legal non-conforming status would affect the resale of the business use. In their motion, the Commission directed staff to keep working with these owners to develop a solution that would prevent creation of non-conforming uses.

Staff met with these affected owners and discussed the impact of the rezoning and how to best resolve their individual concerns. As a result, the owners or representatives of the owners agreed to enter into an acceptance to rezone to a "Limited C-3" rather than "C-3B". This would allow the vehicle display lot and vehicle repair to be permitted uses. These owners have agreed that the "C-3B" design guidelines, as set out in Section 82-214.7, shall be applied to the entire site when a new building is constructed or an existing building is expanded by more than 50 percent of its gross floor area, as calculated at the time of the rezoning to a "Limited C-3" district and with any site plan regulations applicable to the specific use. If a building is expanded by less than 50 percent of its gross floor area as calculated at the time of the rezoning to a "Limited C-3" district, then the "C-3B" guidelines shall apply only to the expansion of the building as set out in Section 82-214.7 and with any site plan regulations applicable to the specific use.

Additional concerns with the proposed rezoning were expressed at the public open house. These concerns were general complaints about government impact on the area. These citizens expressed concern that the rezoning may have a general adverse impact on them. No formal request was made to staff concerning changes in the proposed zoning nor were any petitions in opposition presented to staff.

Staff believes that the proposed "C-3B" and "Limited C-3" zoning and retention of existing overlay districts is consistent with the existing 2020 Community Character Plan.

PREVIOUS COUNCIL ACTION(S):

Date: July 28, 2010

Roll Call Number: 10-1215

<u>Action:</u> On City Council initiated request to rezone property in the area recognized as Historic East Village from "C-3" (Central Business District Commercial) and "M-1" (Light Industrial) to "C-3B" (Central Business District Mixed Use), (8-23-10). Moved by Hensley to adopt. Motion Carried 7-0.

Date: April 12, 2010 City Council Workshop

Roll Call Number: N/A

<u>Action</u>: Directed staff to initiate rezoning of the East Village area based on the East Village Ordinance Study presentation.

BOARD/COMMISSION ACTION(S):

Date: July 15, 2010

Roll Call Number: N/A

Action: Recommended approval of the rezoning by a vote of 10-1.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Future development and redevelopment in this area will be subject to Site Plan Review and approval by the Plan and Zoning Commission under design guidelines for "C-3B" Districts.

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